218579

Chicago & Illinois River Marketing, LLC
A wholly-owned subsidiary of Nidera, Inc.
960 E. Bay Street • Milwaukee, WI 53207
(800) 766-0271

February 6, 2003

Rear Admiral Paul J. Pluta
Assistant Commandant for Marine Safety,
  Security and Environmental Protection
United States Coast Guard
2100 Second Street, S.W.
Washington, D.C. 20593

RE: Docket No. USCG-2002-11288 — 28

Dear Admiral Pluta:

On January 23,2003, the United States Coast guard published a proposed rulemaking to significantly increase rates for pilotage services on the Great Lakes. The Coast Guard proposes to increase rates to varying degrees in each area of the Great Lakes with an average overall increase in excess of 25 percent.

Pilotage fees are the second largest operating expense for ocean going vessels providing service to U.S. and Canadian Great Lakes ports. This increase will have a significart impact on the cost of transporting cargo on the Great Lakes.

While the Coast Guard has requested public comment and provided a 45 day period for the public to review the decision, study supporting documentation, and offer input, your agency has also announced its intention to implement this rate increase in an "interim ruling" on February 14th. This is well before the end of the comment period. The Coast Guard indicates that if public comments are compelling, it will readjust the rate increase at a later date.

I am writing to oppose any interim ruling prior to the end of the public comment period.

We have a strong interest in the potential negative impact of this proposal on our business. The Coast Guard's plan to implement the rate increase in a so-called "interim" fashion violates our right to have our views fairly considered <u>before</u> damage is done. Commodity purchases and shipping decisions will be made based on the Coast Guard's interim decision. Your agency's offer to readjust rates at a later date is hollow in that such a move will not restore lost business.

Sincerely,

Richard Blaylock
General Manager